SMALL PARCEL NOMINATION FORM

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

Part 1: Landowner Information

Phone: 907-694-9060

Landowner: The Conservation Fund

Fax:

Address: 1655 North Fort Myer Drive, Suite 1300

Arlington, Virginia 22209-3199

Co-owner:

Part 2: Parcel Information

Legal description of property: (township, range, section)

Portion of Sections 18 and 19, Township 5 North Range 10 West, Seward Meridian, Alaska

Parcels also identified as Kenai Peninsula Borough Parcels 057-660-012 and 057-660-015

General description of property, including habitat restoration or other biological or recreational value. Also please provide photos and maps if available:

This property is located at River Mile 14 on the east bank of the Kenai River. This is one of the largest undeveloped tracts of land on the lower river. The tract contains extensive sloughs and wetlands which provide spawning habitat for chinook and coho salmon. The salmon of the Kenai River support important economic and recreation activities.

Approximate acreage: 82.49 acres

Is your property located within or adjacent to a State or Federal Park, Refuge or National Forest or other public land unit? If so, which one? Kenai River Special Management Area

Are there any developments on the site? No

Are there any hazardous materials on the property? (waste oil, mine tailings, dump) No

Part 3: Signatures

Signature of landowner: _____ Date: January 10, 2013

A nomination does not bind you to sell your property, nor does it bind the Trustee Council to buy your lands.

Stewart Property (KEN 3011)
Kenai River, Alaska

Property Name:	Stewart parcel
Owner:	The Conservation Fund
Acreage:	82 acres
Description:	T 5 N, R 10 W, Sec. 18, Lot 05766015; Sec. 19, Lot 05768012
Agency Sponsor:	Alaska Department of Natural Resources, Division of Parks and Outdoor Recreation
Appraised Value:	$1,075,000
Funding Request:	$544,620 ($525,000 purchase price plus $19,620 due diligence and GA)

Overview: The Conservation Fund seeks $525,000 from the *Exxon Valdez* Oil Spill Trustee Council to purchase the surface estate of the Stewart parcel, an 82-acre property on the lower Kenai River. The appraised fair market value of the property is $1,075,000, and The Conservation Fund proposes a 1:1 match of funding from the Trustee Council to assist with the acquisition of this property.

Since its inception, the Trustee Council's Habitat Protection Program on the Kenai Peninsula has largely focused on the Kenai River Watershed, the Anchor River, the Ninilchik River and the Homer Spit. The program has provided the Trustee Council with a unique opportunity to address local needs and concerns by securing parcels that provide important restoration values for those resources and services injured by the *Exxon Valdez* Oil Spill.

Injured resources in the Kenai River area are dependent on the habitat provided along the river corridor. These habitats are threatened by the development and diverse uses of the Kenai River, which degrade fish and migratory bird habitat, important wetlands and sources of nutrients essential to the continued health of recovered and recovering Injured Species. In addition, injured services such as recreation and tourism that depend on injured resources are high on the Kenai River and are dependent on the wellbeing of injured fish species that were injured by the Spill. Addressing injured resources and services has been the focus of the Trustee Council's program on the Kenai River.

Property Description and Habitat: The Stewart property is 82 acres consisting of two contiguous, undeveloped tracts and is one of the few remaining large tracts of intact habitat along the lower Kenai River. Located at river mile 14, the parcel has approximately 1/2 mile of river frontage. An anadromous stream runs through the northeast portion of the parcel and is identified in the Alaska Department of Fish and Game's (ADF&G) Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes. As described in *Wetland Mapping and Classification of the Kenai Lowland, Alaska* (Gracz et al. 2008; www.kenaiwetlands.net/), the majority of the 82 acres is classified as wetlands, containing kettle, drainageway, discharge slope and riparian wetlands. There is just under an acre of uplands, comprised of spruce, birch and alder trees.

ADF&G is currently evaluating this segment of the river for placement of the Kenai River Chinook Salmon Sonar Assessment Project to enumerate Chinook salmon escapement. If

ADF&G decides to transition the Chinook salmon sonar project to this location at river mile 14, there may be a future need to access the sonar project from the Stewart parcel. This will be determined after the Division of Parks and Outdoor Recreation (DPOR) finalizes their policy for permitting ADF&G activities in the Kenai River Special Management Area.

Restoration Benefits: Injured resources that benefit from the protection of the Stewart property include pink (recovered), Chinook, coho and sockeye salmon (recovered), Dolly Varden (recovered), Bald Eagles (recovered), Harlequin Ducks (recovering), Barrow's Goldeneyes (recovering), Common Loons (recovered), Cormorants (recovered) and river otter (recovered). Though many of these species are considered recovered, the continued protection of their habitat is essential to maintaining recovery objectives in the Kenai River corridor.

The Stewart property contains wetlands and riparian areas important to injured resources, and acquisition of this parcel will ensure that protection of these valued habitats is in perpetuity. The 81 acres of undeveloped wetlands and riparian lands act as a filter system and nutrient provider for the Kenai River, which is important to migration, rearing and overwintering habitat for fish species such as Dolly Varden, Chinook, coho, and sockeye salmon. The riverbank also supports spawning habitat for pink and Chinook salmon, and Dolly Varden. Continuous and intact riparian habitats are more effective at protecting a diversity of fauna and aquatic ecosystems by providing good water quality, while also supporting the food web of injured resources.

In addition, Bald Eagles, Harlequin Ducks and Barrow's Goldeneyes use the Kenai River as a habitat corridor. These injured resources use the river's riparian area as a spring and fall migration corridor, for feeding, staging, nesting and rearing broods along the river and its tributaries (mostly further upstream and at Kenai and Skilak lakes.)

Bald Eagles use the river corridor for all life stages and there are documented nesting sites along the entire river corridor. The Barrow's Goldeneyes use the corridor for nesting in mature trees and use the main channel of the river in the spring and fall for feeding. There is also a documented population of Barrow Goldeneye's that overwinters just below Skilak Lake on the Kenai River. Bald Eagles and river otters frequent the area and utilize the undisturbed habitat on the parcel. In addition, Common Loons and Cormorants have been known to use the Kenai River corridor as a migration route.

The acquisition of the Stewart property will assist with efforts to restore and maintain healthy fisheries in the Kenai River watershed that Injured Services are dependent on, such as recreation and tourism, subsistence, commercial fisheries and passive use.

The lower 20 miles of the Kenai River, which includes the Stewart property, supports a high percentage of the total recreational fishing effort on the river. With 1/2 mile of river frontage, and with Kenai Riverbend and Stewart's Landing boat launches nearby, the protection of this parcel is an important contribution to boat anglers and shore-based anglers targeting pink and coho salmon in August and September. Rainbow trout also inhabit the Kenai River and provide recreational opportunities throughout the year.

In recent years, the Kenai River Chinook salmon fishery has barely met minimum escapement goals and now it is even more imperative to protect Chinook salmon habitat. In addition, as Chinook salmon numbers decline, injured services such as recreation and commercial fisheries have become more dependent on other salmon fisheries. Therefore, it is critical to ensure that Kenai River habitat is protected for all salmon species.

Potential Threats: Development along the Kenai has been extensive and has resulted in problems with non-point runoff and habitat degradation. Because of the size and location of this parcel on the lower Kenai River, and the significant river frontage, the development potential is high. There are few properties like this remaining on the lower Kenai River and the State of Alaska indicated that this was a high priority for protection due to the conservation and recreation values, and development threats.

Proposed Management: The Conservation Fund works to assist state, federal and local organizations with achieving conservation objectives for priority properties. The DPOR identified the Stewart property as a priority for protection and worked with The Conservation Fund to secure this parcel. The Conservation Fund would like to convey the Stewart property to the Alaska Department of Natural Resources, DPOR to protect resources and services injured by the *Exxon Valdez* Oil Spill. The Conservation Fund recommends that the property be added to the Kenai River Special Management Area. ADF&G supports the acquisition, as this site supports recreation services, habitat protection, and will be important for fisheries management should the department relocate the Chinook salmon sonar project to this section of the river.

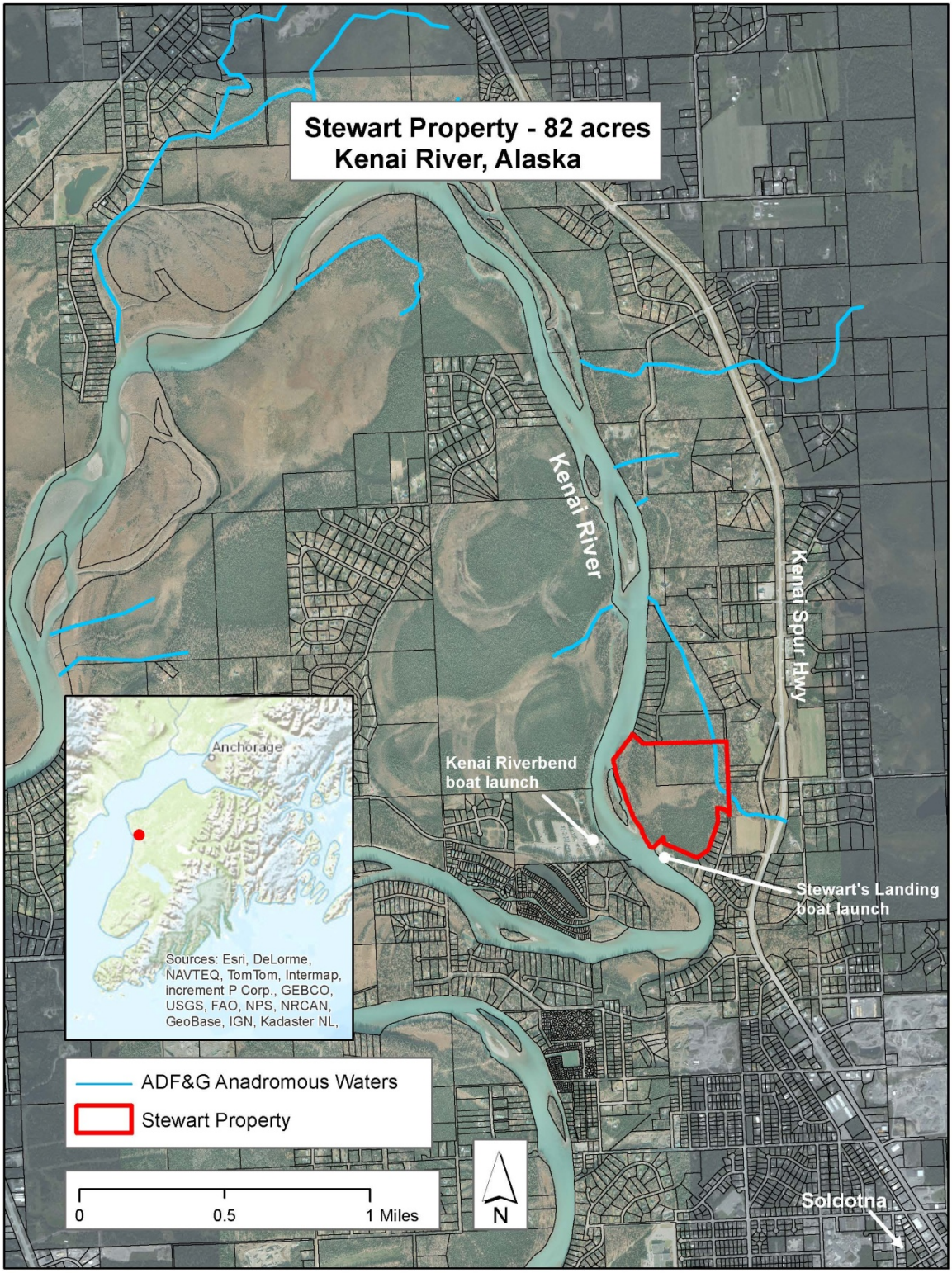
Funding Request: Due Diligence Funding and Conditional-Purchase Authorization Request

Total funding request = $544,620

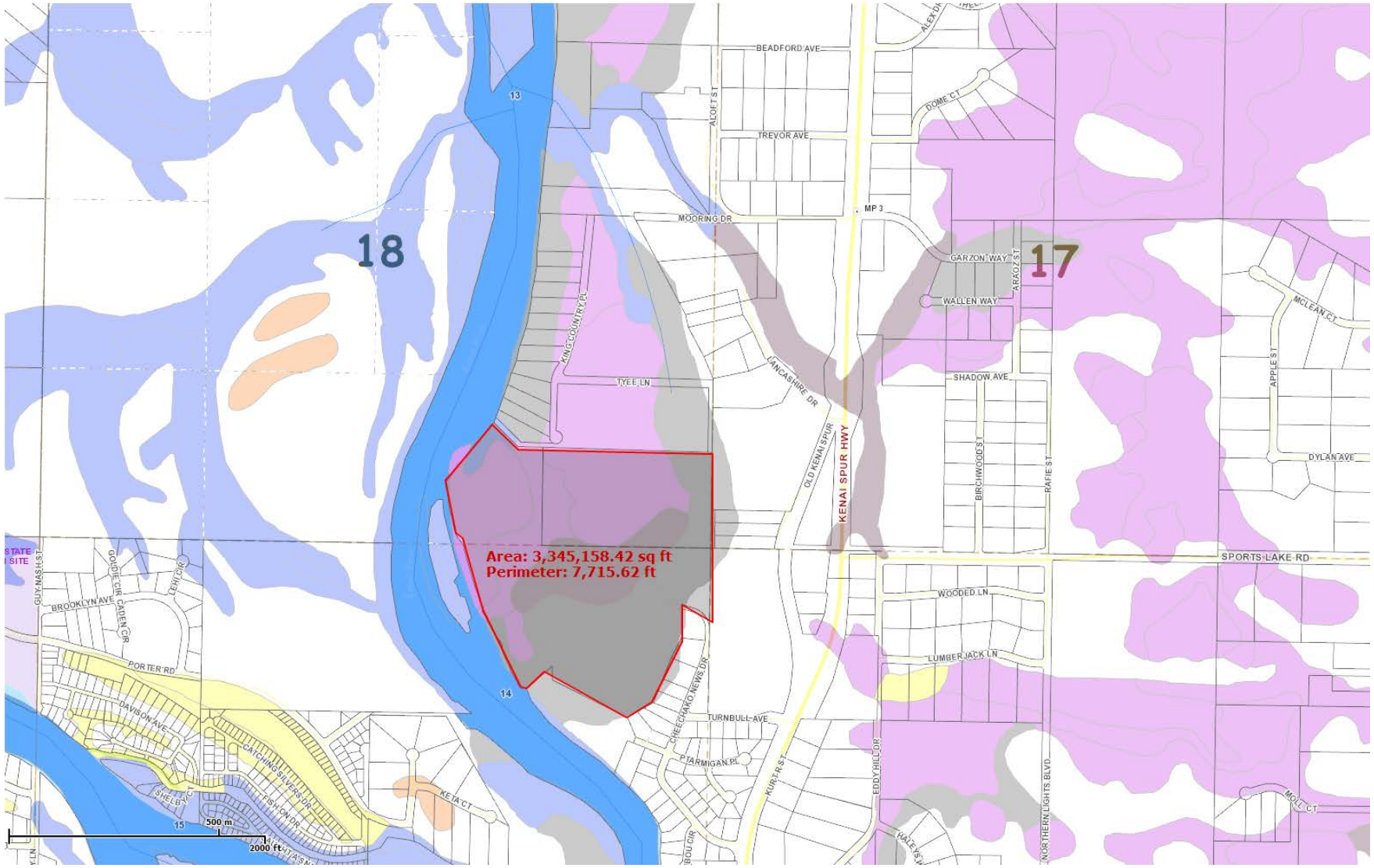
Due Diligence activities: $18,000 + $1620 GA (@ 9%) = $19,620
Hazmat = $10,000
Title Insurance = $8,000

Conditional approval to purchase at $525,000 if:

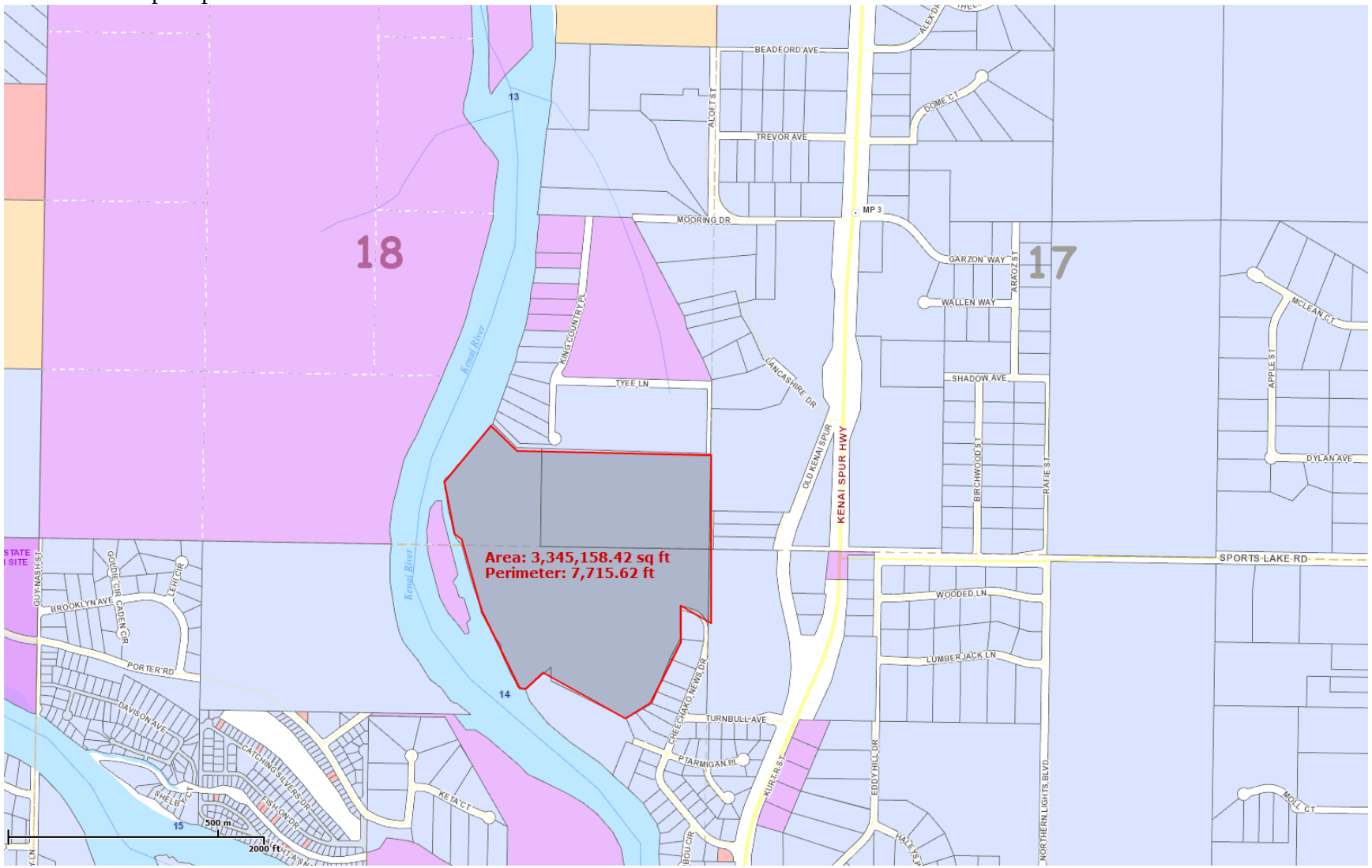
1. Due diligence reports are acceptable to the Alaska Departments of Natural Resources (DNR) and the Department of Law (DOL); and
2. Provided that the Trustee Council's Executive Director, DNR and DOL find that it is in the best interest of the Trustee Council to move forward with acquisition of the parcel.


Stewart Property - 82 acres
Kenai River, Alaska
Kenai River
Kenai Spur Hwy
Kenai Riverbend
boat launch
Stewart's Landing
boat launch
Soldotna
Anchorage
Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL,
ADF&G Anadromous Waters
Stewart Property
0
0.5
1 Miles
N

KPB Wetlands map



KPB ownership map:



KENAI RIVER SPORTFISHING
ASSOCIATION

January 29, 2013

Ms. Elise Hsieh, Executive Director
Exxon Valdez Oil Spill Trustee Council
4210 University Drive
Anchorage, Alaska 99508-4626

RE: Stewart Property Acquisition

Dear Ms. Hsieh,

I am writing on behalf of the Kenai River Sportfishing Association to encourage the *Exxon Valdez* Oil Spill Trustee Council to fund the acquisition and protection of the 82-acre Stewart property on the Kenai River. The Conservation Fund has generously proposed to share the cost of this important acquisition with the Trustee Council, and has already done the hard work of acquiring the property.

The Stewart property is one of the few large tracts along the Kenai River, and contains wetlands of great importance to migratory waterfowl and spawning salmon. The protection of riparian habitat along the Kenai River is one the top priorities of the Kenai River Sportfishing Association. These areas are vital to maintaining water quality and sport fisheries on the Kenai.

I ask you to accept this generous offer from The Conservation Fund and partner in the protection of this property.

Sincerely,

Ricky Gease

Ricky Gease, Executive Director
Kenai River Sportfishing Association

Kachemak Heritage Land Trust

315 Klondike Avenue • Homer, AK 99603 • ph: 907-235-5263 • fax: 907-235-1503 • www.kachemaklandtrust.org

June 24, 2013

Ms. Elise Hsieh, Executive Director
Exxon Valdez Oil Spill Trustee Council
4210 University Drive
Anchorage, Alaska
99508-4626

RECEIVED
JUN 27 2013
EXXON VALDEZ OIL SPILL
TRUSTEE Council

RE: Stewart Property Acquisition

Dear Ms. Hsieh,

I am writing on behalf of Kachemak Heritage Land Trust to encourage the Exxon Valdez Oil Spill Trustee Council to award $525,000 to The Conservation Fund for the acquisition of the 82.49-acre Stewart property. This undeveloped large wetland property (KPB Parcel 05768012) will protect roughly a half-mile of river frontage at lower Kenai River Mile 14 that is within the EVOS Small Parcel Program Spill Affected area. The requested funds will be matched by The Conservation Fund dollar-for-dollar. The Conservation Funds proposes that the State of Alaska becomes the owner of the property with a conservation easement held by the Bureau of Land Management.

Kachemak Heritage Land Trust strongly supports this acquisition, as it will help prevent further injury to species & services on the EVOS Injured Species and Associated Injured Services lists, and because Kachemak Heritage Land Trust has identified it as a priority parcel for conservation.

The mission of Kachemak Heritage Land Trust is to preserve, for public benefit, land on Alaska's Kenai Peninsula with significant natural, recreational, or cultural values by working with willing landowners. Conservation of the Stewart property fits squarely within our organizational mission.

Kachemak Heritage Land Trust Priority

The Stewart property ranked as a priority parcel within our comprehensive GIS mapping project titled "Focused Conservation: Resource Mapping of Alaska's Kenai Peninsula." The Kachemak Heritage Land Trust project weighed natural resources on all privately owned Kenai Peninsula parcels five acres or greater, including Native lands and allotments, University of Alaska and Mental Health Trust lands, as these parcels can all be purchased by private parties.

The project weighted natural resources including moose, caribou, Dall Sheep, brown bear, harbor seal, Steller Sea Lion, ducks and geese, swan, sandhill crane nesting habitat, known locations of eagle and seabird nests, salmon, rare plant locations, mature conifer forests, wetlands, coastal hydrology, flood zones, parks and trails, parcel size and proximity to protected land. Within this project each conservation value was given equal weight in the ranking, with the exception of

brown bear, salmon, caribou, and parcel size, which were more heavily weighted based on their economic and ecological significance to the Kenai Peninsula.

Other values of interest
Wetlands
The Stewart property consists primarily of discharge slope and kettle wetlands as classified by the Kenai Watershed Forum and identified as Coho Support Habitat. It is also identified by the Kenai Watershed Forum as salmon spawning habitat.

Surrounding properties
The Stewart parcel is directly across the river from a 401-acre parcel owned by DNR (KPB parcel 05525023 with a KRSMA designation) and is across the river and near an almost 18-acre parcel owned by DNR (KPB Parcel # 05525030 with a KRSMA designation).

EVOS Species of Interest
The Stewart property contains the following **EVOS Species of Interest**;

According to the 2010 DNR/DOPR *Kenai River Recreation Study*, about 98,000 Dolly Varden are caught in the Kenai each year, roughly 15% are caught in the Lower River.

According to Audubon Alaska, the Kenai River as an area Common Loons use. The northwest Kenai Peninsula is a hotspot for the species. An Audubon Alaska Map is attached.

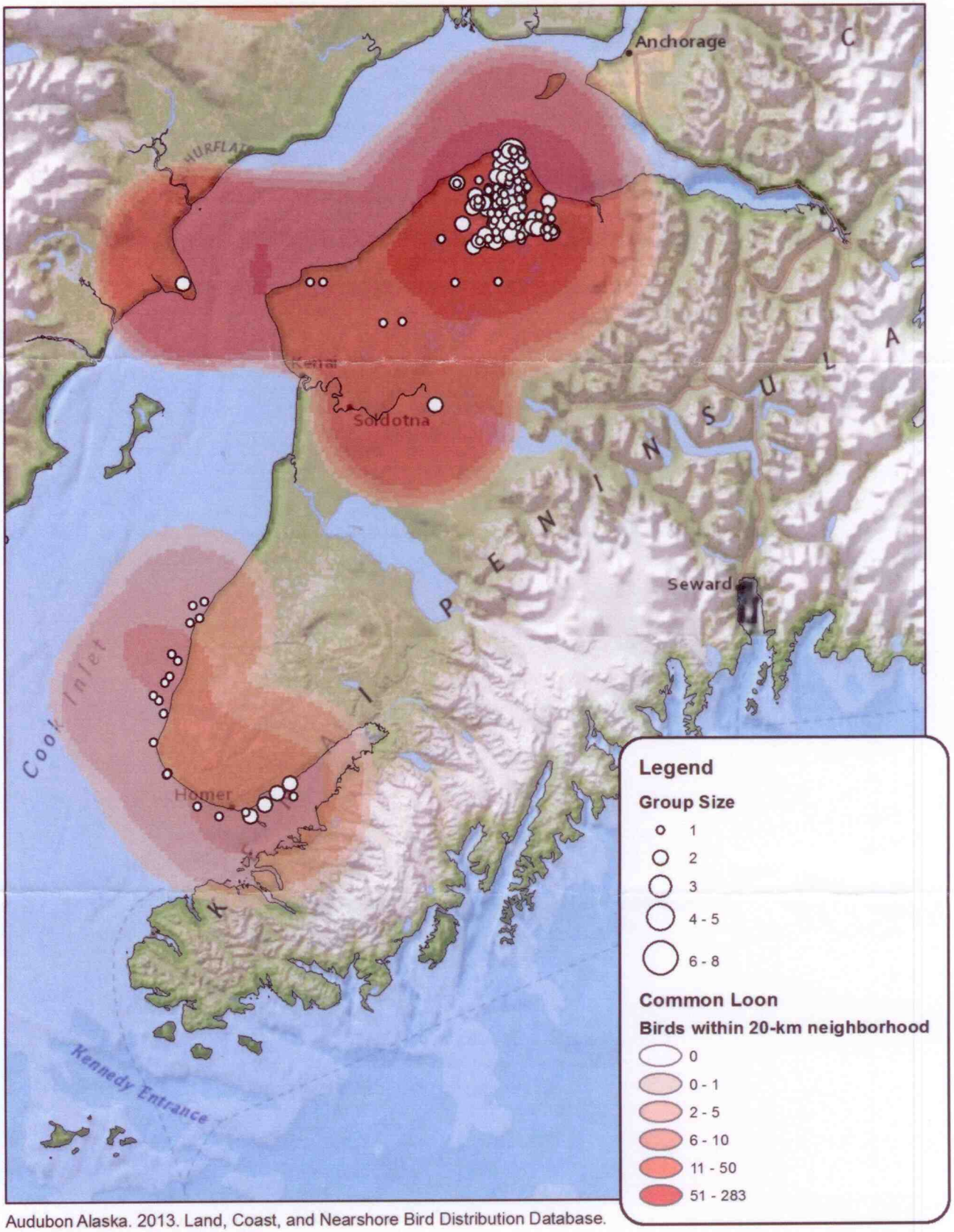
EVOS Associated Injured Services

Recreation
According to ADF&G, the Kenai River is the most heavily used freshwater sportfisheries in Alaska with an average of 275,000 angler days/year. The 2010 DNR Recreation Study indicated that 47% of angler effort occurs in the Lower Kenai River.

Kachemak Heritage Land Trust wholly supports the Exxon Trustee Oil Spill Council funding half of the purchase price for this important and unique Kenai River property. The opportunity to preserve large parcels such as the Stewart property is a rare occurrence.

Sincerely,

Marie McCarty
Executive Director



Audubon Alaska. 2013. Land, Coast, and Nearshore Bird Distribution Database. GIS geodatabase. Anchorage, AK.

United States Department of the Interior
KENAI NATIONAL WILDLIFE REFUGE
P.O. Box 2139
Soldotna, Alaska 99669-2139
(907) 262-7021

In Reply Refer to:
13018ajl

June 27, 2013

Ms. Elise Hsieh, Executive Director
Exxon Valdez Oil Spill Trustee Council
4210 University Drive
Anchorage, Alaska
99508-4626

RECEIVED
JUL 02 2013
EXXON VALDEZ OIL SPILL
TRUSTEE Council

RE: Stewart Property Acquisition

Dear Ms. Hsieh:

I am writing on behalf of the Kenai National Wildlife Refuge (Refuge) to encourage the Exxon Valdez Oil Spill (EVOS) Trustee Council to award $525,000 to The Conservation Fund for the acquisition of the 82.49-acre Stewart property on the lower Kenai River. This parcel (Kenai Penisula Borough Parcel 05768012), which is within the EVOS Small Parcel Program Spill Affected area, will help prevent further injury to species & services on the EVOS Injured Species and Associated Injured Services lists. Acquisition of this undeveloped parcel, which includes approximately one half-mile of river frontage near River Mile 14, would also permanently protect important wetland habitats.

The Stewart property consists almost entirely of discharge slope and kettle wetlands as classified by the Kenai Watershed Forum. These wetlands are contiguous with and hydrologically connected to the Kenai River, and lie at the upstream extent of tidal influence in the Kenai River estuary. These wetlands serve to provide habitat and/or ecological functions critical to Dolly Varden and Common Loon, two EVOS species of interest. They also serve a direct habitat function for Chinook, Coho and Sockeye salmon, and as such help support the State's most heavily used recreational fishery.

The requested funds will be matched equally by The Conservation Fund. The Conservation Fund proposes that the State of Alaska becomes the owner of the property with a conservation easement held by the Bureau of Land Management. The Stewart parcel is directly across the river from a 401-acre parcel and proximal to an 18-acre parcel owned by Alaska Department of Natural Resources (KPB parcel 05525023; KPB parcel 05525030), both of which are part of the Kenai River Special Management Area, administered by the Alaska Division of Parks and Outdoor Recreation.

We strongly support acquisition of the Steward property and the EVOS Council funding half of its purchase price. Permanent protection of wetland habitats along the lower River is critically important to the long-term ecological health and productivity of the entire Kenai River watershed, and will enhance values and resources currently protected on the Refuge and throughout the Kenai River Special Management Area. Thank you for your consideration.

Sincerely,

Andy Loranger

Andy Loranger
Refuge Manager

ALASKA STATE LEGISLATURE

REPRESENTATIVE KURT OLSON

- Chair: Labor and Commerce
- Vice Chair: Rules
- Member: Resources, Community & Regional Affairs, Economic Development Trade & Tourism, Fisheries, Legislative Budget & Audit

Session: January - April
State Capitol, Room 24
Juneau, AK 99801-1182
Phone: 907-465-2693
Fax: 907-465-3835

Interim: May - December
145 Main Street Loop, Ste. 221
Kenai, AK 99611
Phone: 907-283-2690
Fax: 907-283-2763

Official Business

June 28, 2013

Ms. Elise Hsieh, Executive Director
Exxon Valdez Oil Spill Trustee Council
4210 University Drive
Anchorage, Alaska
99508-4626

RE: Stewart Property Acquisition

Dear Ms. Hsieh,

I am writing to encourage the Exxon Valdez Oil Spill Trustee Council to award $525,000 to The Conservation Fund for the acquisition of the 82.49-acre Stewart property. This undeveloped, large wetland property (KPB Parcel 05768012) will protect roughly a half-mile of river frontage at lower Kenai River Mile 14 that is within the EVOS Small Parcel Program Spill Affected Area. The requested funds will be matched by The Conservation Fund dollar-for-dollar. The Conservation Fund proposes that the State of Alaska becomes the owner of the property with a conservation easement held by the Bureau of Land Management.

I strongly support this acquisition, as it will help prevent further injury to species and services on the EVOS Injured Species and Associated Injured Services lists. The availability of this large parcel is a rare preservation opportunity. I support the Exxon Trustee Oil Spill Council funding half of the purchase price for this important and unique Kenai River property.

Sincerely,

Kurt Olson
Representative
District 29

RECEIVED
JUL 02 2013
EXXON VALDEZ OIL SPILL
TRUSTEE Council

Email: rep.kurt.olson@akleg.gov

ALASKA STATE LEGISLATURE

SESSION ADDRESS:
Alaska State Capitol, Rm. 125
Juneau, Alaska 99801-1182
Phone: (907) 465-2828
Fax: (907) 465-4779
Toll Free: (800) 964-5733

INTERIM ADDRESSES:
145 Main St. Loop #226
Kenai, AK 99611
Phone: (907) 283-7996

270 W. Pioneer Ave.
Homer, AK 99603
Phone: (907) 235-0690

SENATOR PETER A. MICCICHE

June 28, 2013

DISTRICT O
Anchor Point
Clam Gulch
Cohoe
Diamond Ridge
Fox River
Fritz Creek
Funny River
Halibut Cove
Happy Valley
Homer
Kachemak City
Kachemak Selo
Kalifornsky
Kasilof
Kenai
Nikolaevsk
Ninilchik
Razdolna
Ridgeway
Seldovia
Soldotna
Voznesenka

Ms. Elise Hsieh, Executive Director
Exxon Valdez Oil Spill Trustee Council
4210 University Drive
Anchorage, Alaska
99508-4626

RE: Stewart Property Acquisition

Dear Ms. Hsieh,

I am writing in support of the Exxon Valdez Oil Spill Trustee Council awarding $525,000 to The Conservation Fund for acquisition of the 82.49-acre Stewart property on the banks of the Kenai River. I am normally reticent to transfer private land to public ownership. However, this property currently in conservation status, has the highest value remaining in stewardship and ownership by the State of Alaska.

The value to my district's social, cultural and economic well-being, as well as the recreational opportunities for all Alaskans derived from the Kenai River and its associated fisheries are without question. The ecological functions of this wetland parcel connected to the Kenai River motivate me to encourage the EVOS Trustee Council to seriously consider this purchase, protecting and keeping intact roughly a half-mile of river frontage within the EVOS Small Parcel Program Spill Affected Area. The requested funds will be matched by The Conservation Fund dollar-for-dollar and proposes that the State of Alaska becomes the owner of the property with a conservation easement held by the Bureau of Land Management. I support this action.

Sincerely,

Senator Peter A. Micciche
State of Alaska, District O

RECEIVED
JUL 08 2013
EXXON VALDEZ OIL SPILL
TRUSTEE Council

E-Mail: Senator.Peter.Micciche@akleg.gov